LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6089 NOTE PREPARED: Jan 24, 2005 BILL NUMBER: HB 1033 BILL AMENDED: Jan 11,2005

SUBJECT: Environmental Quality Service Council.

FIRST AUTHOR: Rep. Heim BILL STATUS: As Passed House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill makes the Environmental Quality Service Council (EQSC) permanent. It requires the EQSC to study issues concerning energy matters, including investigating methods to increase research, development, production, and use of alternative fuels.

Effective Date: July 1, 2005.

Explanation of State Expenditures: (Revised) The EQSC was to expire December 2005, however, this bill makes EQSC permanent. The budgets which will be allocated to EQSC will depend on future resolutions passed by the Legislative Council. Interim committee expenses are paid from General Fund appropriations to the Legislative Council. Currently, the Legislator per diem is \$134 per member and the lay member per diem is \$75 per member. The 18-member EQSC is to operate under the rules of the Legislative Council. Legislative Council resolutions in the past have established budgets for interim study committees in the amount of \$15,000 per interim for committees with 16 members or more.

The EQSC is to do the following:

- (1) Study issues designated by the Legislative Council.
- (2) Advise the Commissioner on policy issues decided on by the EQSC.
- (3) Review the mission and goals of the department and evaluate implementation of the mission.
- (4) Serve as a council of the General Assembly to evaluate:
 - (A) resources and structural capabilities of the Department of Environmental Management to meet the department's priorities; and
 - (B) program requirements and resource requirements for the department.

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- (5) Serve as a forum for citizens, the regulated community, and legislators to discuss broad policy directions.
- (6) Do the following concerning energy matters:
 - (A) Investigate methods to increase research, development, production, and use of alternative fuels, including:
 - (i) biofuels such as biodiesel, ethanol, and other agricultural-based alternatives to petroleum-based fuels;
 - (ii) clean coal technology;
 - (iii) wind and solar power, and
 - (iv) other sources of renewable energy.
 - (B) Give priority consideration to review of energy projects and policies that will provide maximum economic and environmental benefits to Indiana.
 - (C) Submit recommendations to:
 - (i) the Legislative Council.
 - (ii) the Commissioner of Agriculture.
 - (iii) the Department of Commerce.
 - (iv) Legislative Committees that have subject matter jurisdiction over energy matters.
- (7) Submit an annual report to the Legislative Council in an electronic format.

The Legislative Services Agency is to staff the EQSC.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Legislative Services Agency; Department of Natural Resources; Department of Environmental Management.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.

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